

CFBA TESTIMONY ON

SB 598 AN ACT CONCERNING THE PRODUCTION OF HEMP IN **CONNECTICUT**

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Executive Director Brvan Hurlburt 78 Beaver Rd. Suite 2A. Wethersfield, CT 06109 860.768.1100 BryanH@cfba.org

S.B. 893 AN ACT CONCERNING AN ENFORCEMENT PLAN FOR HEMP **PRODUCTION**

HB 5481 AN ACT IMPLEMENTING THE LEGALIZATION OF INDUSTRIAL HEMP

March 5, 2019

Submitted by: Bryan Hurlburt, Connecticut Farm Bureau Association Executive Director

To the members of the Environment Committee:

Thank you for the opportunity to provide testimony on the three proposals to legalize hemp in our state.

The CT Farm Bureau Association is a private, non-profit, membership organization representing nearly 3,000 CT families dedicated to elevating the status of agriculture in our state through education, market promotion, and legislative advocacy. In our state, agriculture is made up of over 6,000+ small businesses, contributes \$4 billion to CT's economy, employs 21,000 people, and works 436,000 acres of land.

Industrial hemp is not marijuana, although both are members of the cannabis plant family. Industrial hemp is differentiated by the low concentration of THC, set by federal statute at maximum of 0.3% THC of the dried weight of the plant, marijuana has a THC level of 5-25%. Industrial hemp is generally used for fiber and CBD extraction, but has over 25,000 different uses.

CFBA has been very interested in the legalization of hemp and sees it's potential as a lifeline for the agricultural economy, providing a much-needed cash crop to a market that is strapped for cash and markets. There are estimates that show that an acre of hemp could generate the following yields:

- 500 lbs to 1500 lbs of dried flowers
- Prices between \$30 \$100/lb
- Estimated revenues between \$37,500 \$150,000 per acre

These estimates are for gross revenues per acre and do not take into consideration the costs associated with growing that acre.

With these cost estimates, hemp would certainly be an attractive crop for CT farmers. Having a high value crop would keep farmers on the land, be an incentive for farmers to put more land into production, attract new farmers to the industry, stabilize farm incomes, add business opportunities for agricultural support businesses, employ more people, support the opportunity for value-added production, and generate more revenue for the state.



CFBA has been advocating for a hemp program that meets the following criteria:

- Deleting "cannabinon, cannabinol or cannabidiol and chemical compounds which are similar to cannabinon, cannabinol or cannabidiol in chemical structure" from the controlled substances definition
- Defining industrial hemp as an agricultural product/crop/commodity
- That the Department of Agriculture be responsible for oversight and regulation of hemp as an agricultural product
- Create a licensing program for growers, processors/extractors, processors/manufacturers, and seed retailers
- Direct the Department of Agriculture to apply to the USDA for a waiver to permit a staterun program
- Create an inspection and testing program and identify appropriate testing facilities for producers to use
- Establish penalties for producers who grow and distribute industrial hemp that is outside of the federally designated limits of THC

These provisions mirror other states' programs and would create the regulatory environment and certainty that would allow farmers, regulators, and financial institutions to move forward with, and support, the creation of a CT hemp industry.

SB 598 would establish those criteria. SB 893 would allow for the pilot program under the 2014 Farm Bill. HB 5481 uses the research definition of industrial hemp and doe not allow for the processing and sale of industrial hemp derivatives. We would also suggest that there are in-state facilities that could provide testing, namely the University of CT and the CT Agricultural Experiment Station. We would recommend that they are listed as approved testing facilities in the final bill.

We ask that the committee move quickly to pass this bill out and through both chambers for the Governor's signature. There is an opportunity for farmers to take advantage of this crop this growing season. For a farmer to plant hemp in the field by early June, there are a number of steps that need to be taken in advance to meet that deadline, including the USDA waiver, seed procurement, regulation development, financing, and field preparation.

In the absence of a USDA program, we request that the proposal include language that would allow CT to develop a pilot program under the 2014 Farm Bill. This would still allow farmers to grow hemp this year and allow the state to be prepared to launch the fully legalized program when the federal program is ready for our application.

Thank you for the opportunity to comment on this proposal and I would be happy to answer any questions you may have.